

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE _____ PAGE 1 OF 1 PAGES 1

2. AMENDMENT/MODIFICATION NO. **M316** 3. EFFECTIVE DATE **07/24/08** 4. REQUISITION/PURCHASE REQ. NO. _____ 5. PROJECT NO. (If applicable) _____

6. ISSUED BY U.S. Department of Energy
Richland Operations Office
825 Jadwin Avenue, MSIN A7-80
Richland, WA 99352

7. ADMINISTERED BY (If other than Item 6) _____ CODE _____

8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code)

Fluor Hanford, Inc.
2420 Stevens Center
PO Box 1000
Richland, WA 99354

(✓) 9A. AMENDMENT OF SOLICITATION NO. _____
9B. DATED (SEE ITEM 11) _____
10A. MODIFICATION OF CONTRACT/ORDER NO. **DE-AC06-96RL13200**
10B. DATED (SEE ITEM 13) **08/06/96**

CODE _____ FACILITY CODE _____

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:
(a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
N/A \$0.00

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(✓) A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
D. OTHER Specify type of modification and authority
X H.33; Performance Objectives, Measures, Expectations, and Fee Distribution

E. IMPORTANT: Contractor is not, is required to sign this document and return 2 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
The purpose of this modification is to incorporate revised Performance Incentive (PI) RL-0013 into Part III, Section J, Appendix D of the contract. The PI revision is to add super stretch Performance Objectives 2a.1 and 2b.1 and Over Target Funded Performance Objective 1a.2.

Attachments: Performance Incentive RL-0013 (Rev. 3)
Section J, Appendix D

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) **C. M. Murphy, President and Chief Executive Officer** 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) **Sally A. Sieracki, Contracting Officer**

15B. CONTRACTOR/OFFEROR *[Signature]* 15C. DATE SIGNED **8/29/2008** 16B. UNITED STATES OF AMERICA *[Signature]* 16C. DATE SIGNED **29 Aug 08**



FY 2007 - FY 2008 FHI PERFORMANCE INCENTIVE

Rev. 3, July 24, 2008

PBS: RL-0013 Solid Waste Stabilization and Disposition

Allocated Fee: \$33.90M of the fee available in PHMC Clause B.4

PERFORMANCE OBJECTIVE 1: Reduce the risk of continued interim storage of TRU waste.

Performance Objective 1a: Certify or ship 448 m³ (2,909 m³ cumulative toward TPA Milestone M-91-42) of TRU by 30 September 2008.

\$1.5M may be earned as progress payment for certification of a cumulative total of 2,729 m³ of TRU waste towards TPA Milestone M-91-42 by 30 September 2008.

\$1.2M may be earned as progress payment for certification of each of three additional increments of 60 m³ to a cumulative total of 2,909 m³ of TRU waste 30 September 2008.

Performance Objective 1b: Certify 80% of legacy TRU waste (placed in storage prior to January 2003) in storage at the Solid Waste Operations Complex by 30 September 2008.

\$1.0M may be earned as progress payment for certification of 80% of legacy TRU waste (placed in storage prior to January 2003) in storage at the Solid Waste Operations Complex by 30 September 2008.

Completion Criteria for 1a and 1b:

- Certify TRU for subsequent shipment to WIPP.

Note the following:

- Certification is defined as waste containers that meet all acceptance criteria for WIPP and are input to WWIS.
- One 55-gallon drum is defined as 0.208 m³ of TRU.
- One 85-gallon drum is defined as 0.322 m³ of TRU.
- One standard waste box is defined as 1.8 m³ of TRU.
- FHI Cost Underrun Funded Performance Incentives bring the M-91-42 cumulative total to 2,461 m³.
- A point adjustment from 0.2 m³ per drum to 0.208 m³ per drum will be applied to both increments and cumulative volumes.

Government Furnished Services/Items:

None identified.

PERFORMANCE OBJECTIVE 2: Remove the threat of release to the environment of suspect TRU per TPA Milestone M-91-40.

Performance Objective 2a: Retrieve 4,125 m³ (9,197 m³ cumulative toward TPA Milestone M-91-40) of suspect TRU by 30 September 2008.

\$20.9M may be earned as progress payment for retrieval of 11 increments of 375 m³ of suspect TRU (4,125 m³ total) towards a cumulative total of 9,197 m³ towards TPA Milestone M-91-40 by 30 September 2008.

SUPERSTRETCH:

Performance Objective 2a.1: Retrieve 300 m³ (9,500 m³ cumulative toward TPA Milestone M-91-

RL CO  Date *28 Aug 08*

FY 2007 - FY 2008 FHI PERFORMANCE INCENTIVE

Rev. 3, July 24, 2008

PBS: RL-0013 Solid Waste Stabilization and Disposition

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40F) of suspect TRU by 30 September 2008.

\$1.18M may be earned as progress payment for retrieval of 2 increments of 150 m³ of suspect TRU (300 m³ total) towards a cumulative total of 9,500 m³ towards TPA Milestone M-91-40F by 30 September 2008.

Performance Objective 2b: Complete TPA Milestone M-91-40E (7,200 m³ cumulative total) by 31 December 2007.

\$1.0M may be earned as progress payment for completion of a cumulative total of 7,200 m³ towards TPA Milestone M-91-40E by 31 December 2007.

SUPERSTRETCH

Performance Objective 2b.1: Complete TPA Milestone M-91-40F (9,700 m³ cumulative total) by 30 September 2008.

\$1.0M may be earned as progress payment for completion of a cumulative total of 9,700 m³ towards TPA Milestone M-91-40F by 30 September 2008.

Completion Criteria for 2a and 2b:

- Retrieve suspect TRU from those locations as defined in the Hanford Federal Facility Agreement and Consent Order M-91 Series (Settlement Agreement).

Note the following:

- Retrieval is defined as removing the drums or boxes from the stack, making a determination as to TRU or non-TRU, performing designation, and transportation to a TSD or other compliant disposal facility. For purposes of completing this Performance Incentive, TRU and TRUM (TRU Mixed) are considered synonymous.
- One 55-gallon drum is defined as 0.208 m³ of TRU.
- One 85-gallon drum is defined as 0.322 m³ of TRU.
- One standard waste box is defined as 1.8 m³ of TRU.
- A point adjustment from 0.2 m³ per drum to 0.208 m³ per drum will be applied to both increments and cumulative volumes.

Government Furnished Services/Items:

None identified.

PERFORMANCE OBJECTIVE 3: Reduce the risk of continued interim storage of Mixed Low Level Waste.

Performance Objective 3a: Treatment and/or disposition of 415 m³ (5,615 m³ cumulative total toward TPA Milestone M-91-42) of Mixed Low-Level Waste by 30 September 2008.

\$1.25M may be earned as progress payment for treatment and/or disposition of 5 increments of 83 m³ each (415 m³ total) for a cumulative total of 5,615 m³ of MLLW towards TPA Milestone M-91-42 by 30 September 2008.

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Performance Objective 3b: Treatment and/or disposition of 300 m³ cumulative total toward TPA milestone M-91-43. This will be done by establishing and demonstrating contact-handled MLLW treatment capability for 106 m³ of oversize containers sized between 10 and 35 m³ by 30 September 2008.

\$0.1M may be earned as progress payment for treatment and/or disposition of a cumulative total of 300 m³ of contact-handled MLLW towards TPA Milestone M-91-43 by 30 September 2008.

Performance Objective 3c: Complete TPA Milestone M-91-12 by 16 November 2007.

\$0.1M may be earned as progress payment for completion of TPA Milestone M-91-12 by 16 November 2007.

Completion Criteria 3a-c:

- Treatment and/or disposition of Mixed Low-Level Waste.

Note the following:

- Mixed Low-Level Waste that has been treated by the generator may be directly disposed and counted towards the required volumes of this Performance Incentive.
- Volumes under this Performance Incentive are pretreatment volumes and consistent with M-91 Milestones.
- Waste currently categorized as MLLW, and in storage, may be counted towards the required volumes of this Performance Incentive if regulatory requirements for disposal are met.
- Decommissioned Naval Reactor Compartments may not be counted towards the required volumes of this Performance Incentive.
- Establish an off-site treatment contract and treatment and/or disposal of 106 m³ of containers between 10 and 35 m³ CH-MLLW.
- One 55-gallon drum is defined as 0.208 m³ of TRU.
- One 85-gallon drum is defined as 0.322 m³ of TRU.
- One standard waste box is defined as 1.8 m³ of TRU.
- A point adjustment from 0.21 m³ per drum to 0.208 m³ per drum will be applied to both increments and cumulative volumes.

Government Furnished Services/Items:

None identified.

Performance Objective 3d: Complete a report for designation and treatment path forward of MLLW stored in the Solid Waste Operations Complex facilities on 30 September 2006 by 30 September 2007.

\$0.2M may be earned as progress payment for completion of a report for designation and treatment path forward of MLLW in storage at Solid Waste Operations Complex by 30 September 2007.

Completion Criteria for 3d:

- Submittal of report to RL for Performance Objective 3d by 30 September 2007.

Government Furnished Services/Items:

None identified.

RL CO SU Date 28 Aug 08

FY 2007 - FY 2008 FHI PERFORMANCE INCENTIVE

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PERFORMANCE OBJECTIVE 4: Process inventory in LERF Basin 44.

Performance Objective 4a: Process LERF Basin 44 inventory of ~4 million gallons by 30 September 2008.

\$1.05M may be earned as progress payment for processing Basin 44 inventory of ~4 million gallons in six increments of ~670,000 gallons each by 30 September 2008.

Completion Criteria:

- The amount of water in Basin 44 on 30 September 2008 is at the empty level that has been negotiated with the regulatory agencies plus volumes received during FY 2007 and FY 2008.

Government Furnished Services/Items:

None identified.

OVER TARGET FUNDED

Performance Objective 1a.1 Certify, ship or repackage an additional 400 m³ (3,309 m³ cumulative) of TRU waste by 30 September 2008.

\$2.7M may be earned as progress payment for certification of five increments of 60 m³ for a cumulative total of 3,209 m³ of certified TRU waste by 30 September 2008.

\$1.0M may be earned as progress payment for certification or repackaging of two increments of 50 m³ for a cumulative total of 3,309 m³ of certified or repackaged TRU waste by 30 September 2008.

\$150K may be earned for submitting the required documentation, including Acceptable Knowledge/Waste Stream Profile Form, Defense Determination, and solid sampling and analysis results, required for certification of treated NLOP sludge.

Performance Objective 1a.2: Certify or ship 600 m³ of TRU waste between 10/1/07 and 9/30/08 as required by TPA change package M-91-08-02.

\$0.15M may be earned a progress payment for certification of 600 m³ of TRU a required by TPA change package M-91-08-02.

Completion Criteria:

- Certification: Same as 1a above.
- Repackaging: Repackaging of drums at either WRAP or T Plant into a compliant container acceptable for shipment to the WIPP and transfer of the container back to the WRAP (CWC) storage buildings.

RL CO *JL* Date *28 Aug 08*

FY 2007 - FY 2008 FHI PERFORMANCE INCENTIVE

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Allocated Fee: \$33.90M of the fee available in PHMC Clause B.4

Government Furnished Services/Items:

- Solid sampling and lab analysis at no cost to FH in support of the NLOP sludge within 120 days of shipment of the selected drums to INEEL

Performance Objective 3a.3: Treatment and/or disposition of an additional 1,666 m³ (7,281 m³ cumulative) of Mixed Low-Level Waste by 30 September 2008.

\$1.0M may be earned as progress payment for treatment and/or disposition of four increments of 250 m³ each (1,000 m³ total) for a cumulative total of 6,615 m³ of MLLW towards TPA Milestone M-91-42 by 30 September 2008.

\$0.6M may be earned as progress payment for two additional increments of 333 m³ (666 m³ total) for a cumulative total of 7,281 m³ of MLLW shipped for treatment and/or disposition towards TPA Milestone M-91-42 by 30 September 2008.

Completion Criteria:

- Same as 3a above.

Government Furnished Services/Items:

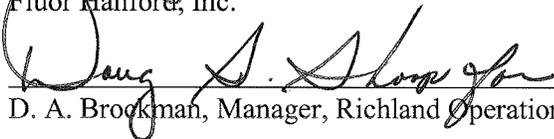
None identified.

Signatures:



C. M. Murphy, President & Chief Executive Officer
Fluor Hanford, Inc.

8/29/2008
Date



D. A. Brockman, Manager, Richland Operations Office

8/28/08
Date



RL CO RL Date 28 Aug 08